

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

BRENNON T. MORIOKA
ACTING DIRECTOR

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IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

ISSUANCE OF AN ON-DEMAND AIRPORT-BASED SHUTTLE BUS
CONCESSION AT KAHULUI AIRPORT

MAUI

The Department of Transportation (DOT) proposes to offer an On-Demand Airport-Based Shuttle Bus Concession at the Kahului Airport on the Island of Maui. The following contains a description and summary of some of the major terms and conditions that the DOT anticipates incorporating into the Concession Agreement ("Agreement"):

PURPOSE:

To award the Concession Agreement to a qualified Concessionaire submitting the highest bid to exclusively operate the Concession at Kahului Airport.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.

LOCATION:

Kahului Airport

TAX MAP KEY:

2nd Division - 3-8-01: 19 (Portion) Kahului

PREMISES:

At the Commencement of the Agreement:

- A. Bldg. 309, Car Rental, Room No. 111, containing an area of approximately 60 square feet as shown on Exhibit B dated January 2008, attached hereto.

- B. Bldg. 640, Ground Transportation Curbside Area, Space No. 119B, containing an area of approximately 22 square feet as shown on Exhibit C dated January 2008, attached hereto.

During the term of the Agreement:

The DOT may, at the DOT's sole discretion, require or permit the Concessionaire to add additional spaces.

If the Concessionaire requests and the DOT, at its sole discretion, agree to make available additional space over and above the spaces initially allocated under the Agreement, the Concessionaire shall pay rental for such additional space as follows:

- (1) floor rent equal to the square footage of such additional space multiplied by the rates and charges applicable to such additional space as established by the DOT; and
- (2) the gross receipts received or realized by the Concessionaire from or otherwise attributable to such additional space shall be included in the percentage fee obligation payable by the Concessionaire under the Agreement.

If the DOT, at its sole discretion, requires the Concessionaire to take or use additional space over and above the space initially allocated under the Agreement, the Concessionaire shall not be obligated to pay floor rent for such space but shall include the gross receipts received or realized by the Concessionaire from or otherwise attributable to such additional space in the percentage fee obligation payable by the Concessionaire under the Agreement.

ZONING:

State Land Use: Urban
County of Maui: Airport

LAND STATUS:

Section 5(a), Hawaii Admission Act
DHHL 30% entitlement lands: No

TERM:

Five years commencing on _____, 2008 and ending on _____, 2013.

CONCESSION FEE:

The total Annual Concession Fee shall be the greater of the following:

- a. Minimum Annual Guaranteed Fee. The minimum annual guaranteed fee for each year of the term of this Concession Agreement, as set forth in the Concessionaire's Bid Proposal (hereafter the "MAG"); or
- b. Percentage Fee. For each year of the term of this Concession Agreement, the percentage fee shall be ten percent (10%) of the Concessionaire's annual gross receipts generated from, related or attributable to, or connected with the operation of the Concession.

UPSET FEE:

The minimum annual guaranteed fee for the first year shall not be less than Twenty Thousand Dollars (\$20,000.00).

BASIS OF AWARD:

The award of the Agreement will be to the highest responsible bidder, based upon the total amount of the minimum annual guaranteed rental bid for the entire term of the Agreement, which has also met or exceeded the qualifications and requirements.

REMARKS:

The On-Demand Airport-Based Shuttle Bus Concession at Kahului Airport provides a valuable service to the traveling public by providing an alternative to private vehicles, rental cars and taxis as a means of getting to and from the airport.

RECOMMENDATION:

That the Board authorize the call for sealed bid tenders and issuance of a new On-Demand Airport-Based Shuttle Bus Concession subject to: 1) the terms and conditions hereinabove outlined; 2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and 3) the review and approval of the Department of the Attorney General.

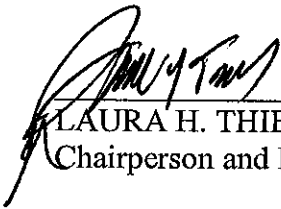
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Kahului Airport
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Respectfully submitted,

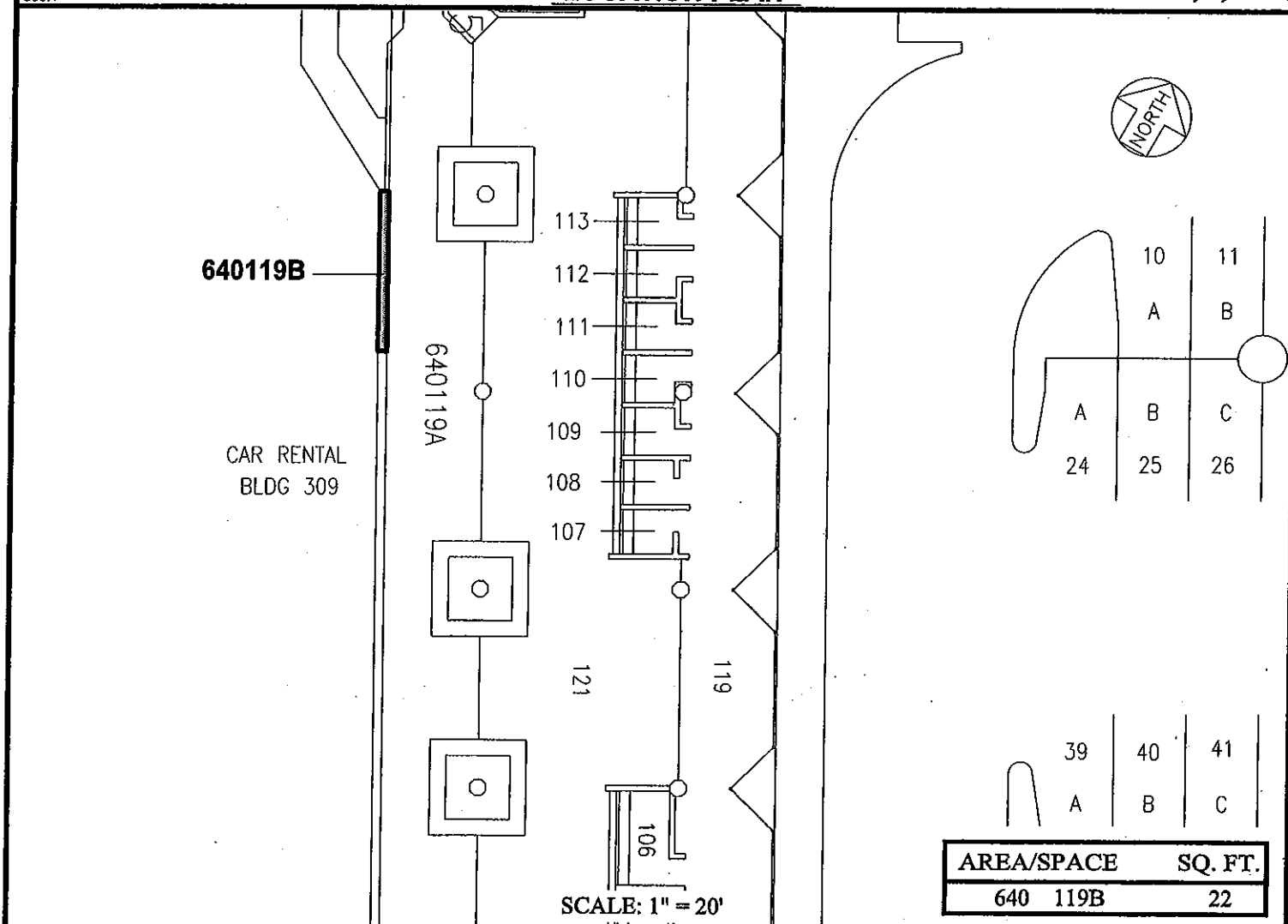
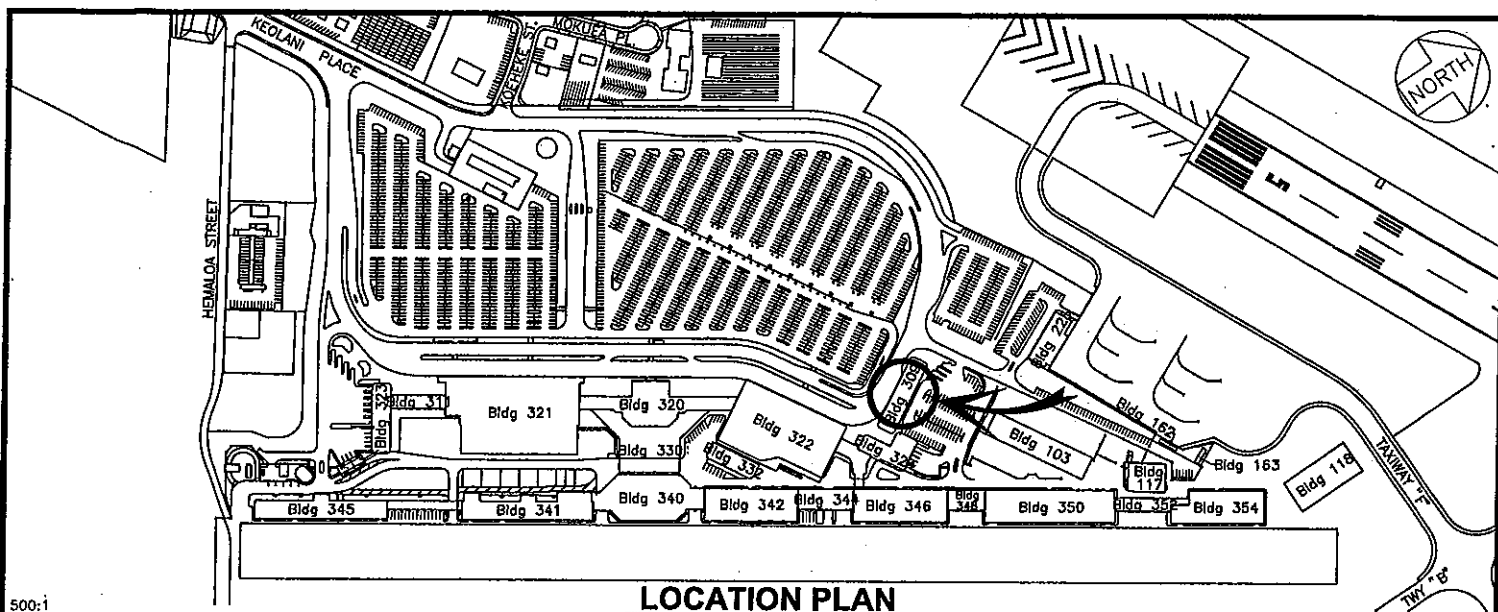
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BRENNON T. MORIOKA, Ph.D., P.E.
Acting Director of Transportation

APPROVED FOR SUBMITTAL:

A handwritten signature in black ink, appearing to read 'Laura H. Thielen', with a horizontal line extending to the right.

LAURA H. THIELEN
Chairperson and Member



DATE : JANUARY 2008

EXHIBIT: C

Airports Division

SHUTTLE BUS CONCESSION

**GROUND TRANSPORTATION
CURBSIDE AREA**

640119B

PLAT A1,35

KAHULUI AIRPORT

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